

SYN. NO. _____

AGN. NO. _____

MOTION BY SUPERVISORS ZEV YAROSLAVSKY AND
GLORIA MOLINA

June 26, 2006

Our Public Private Partnerships (PPP) are critical to the delivery of primary care health services for the Department of Health Services patients and Los Angeles County residents countywide. Despite steep rises in health care costs and patient load, the last rate increase for PPP provider contracts was in January 2001 - over five years ago.

Although both the FY 2006-2007 Proposed Budget and Final Changes provide an 8% rate increase for PPP contracts, this adjustment does not adequately begin to address actual cost per visit. Based on data from the Medicare Market Basket, the rate increase should be adjusted to 12% for the PPP providers. The Chief Administrative Office has one-time savings in the Provisional Financing Uses budget which can be used to bridge the funding gap between the DHS request and the CAO's recommended increase, while the Department further develops its deficit management plan, including the need to find on-going funding for appropriate increases in the PPP program.

WE, THEREFORE, MOVE that the Board of Supervisors direct the Chief Administrative Officer to allocate \$1,989,000 in one-time funds from the Provisional Financing Uses budget to the Health Services Administration budget for rate increases for the PPP contracts.

CK S\Motions\ PPP Rate Increase

MOTION

MOLINA _____

BURKE _____

YAROSLAVSKY _____

KNABE _____

ANTONOVICH _____

